

# Economic Impact Analysis

## *Proposal to Increase Fees for Food Worker Cards*

*Proposed Effective Date: January 1, 2003*

WAC 246-217-025

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### ***Introduction***

The State Board of Health has established requirements for the issuance of food worker cards in Chapter 246-217 WAC, as mandated by Chapter 69.06 RCW. One of the mandates is that a standard fee be charged statewide by local health jurisdictions to defray costs of issuing the cards. The fee was last increased in 1992, from \$5 to \$8. Many local health jurisdictions are finding that because of cost of living increases to staff and increased training requirements, \$8 is insufficient to cover the cost of their food worker card program.

The "Seattle Consumer Price Index" increased 36.4% between 1992 and 2002, which would justify an increase from \$8 to \$10.91. However, Initiative 601 allows fees to be increased by the current year's growth factor; it does not allow increasing fees to recoup prior years' inflationary increases. Therefore, the Board requested the 2002 legislature to grant an exception from I-601 requirements for the purpose of raising the food worker card fee to a level that would allow local health jurisdictions to recover their costs to administer their programs. The 2002 legislature granted the exception.

RCW 69.06.020 states that the food worker card fee must be "uniform throughout the state," "reflect actual costs," and "not set at an amount that would prohibit low-income persons from obtaining permits." In order to meet these mandates, the Department of Health recommends that the Board raise the food worker card fee to \$10 this year. That would be an increase of 25% from the \$8 fee set in 1992.

### ***Necessity of the Proposed Fee Increase***

The requirement for a food worker card protects public health by assuring that food workers receive basic training in food safety principles. The Board revised WAC 246-217-025 in 1999 to require local health jurisdictions (beginning in January 2000) to provide at least 30 minutes of training to food worker card applicants before allowing them to take the exam for issuance of a card. Local health jurisdictions provide the training by different means. The Department considers that the most meaningful training occurs when there is interaction between a food safety professional and the food worker card applicant.

Many local health jurisdictions are now finding that \$8 is inadequate to recover the costs of their food worker card programs. In May 2001, the environmental health directors conducted a survey of local health jurisdictions to determine the costs of food worker card programs. Thirty of 34 local jurisdictions responded. The average cost was \$9.36 per card. The range was \$4.14 to \$15.87 per card. If the fee was increased to \$10 per card, 80% of the local jurisdictions could

recover their costs to provide food worker training and issue the cards. Local jurisdictions depend on fees to fund their food worker training and card issuing activities.

### ***Impacts of the Proposed Fee Increase***

A fee increase will impact a large number of low-income workers. The proposed fee increase can be put into perspective by comparing it with inflation and the rise in the minimum wage since 1992.

- The Seattle Consumer Price Index increased 36% from 1992 to 2002.
- The national inflation rate was 24.87% from 1992 to 2002.
- The proposed fee increase from \$8 to \$10 is a 25% increase and is equivalent to the national inflation rate from 1992 to 2002.
- Washington State's minimum wage increased by 62.3% from 1992 (\$4.25) to 2002 (\$6.90). It outpaced inflation by 39.9% during that period.

Although the fee increase will impact a large number of low-income workers, the state's minimum wage has outpaced inflation by 40%. The proposed 25% fee increase would present proportionately less of a burden to workers in 2003 than did the \$8 fee in 1992.

### ***Conclusions***

Food worker training is an essential public health function. Local health jurisdictions depend on fees for food worker cards to fund food worker training activities. A fee of \$10 will allow about 80% of the local health jurisdictions to recover the cost of their food worker card programs. The proposed fee increase of 25% is proportionally less than the increase in either the Seattle Consumer Price Index (36%) or the Washington State minimum wage (62%) since 1992. The fee increase should not present an unreasonable burden for food workers.

The proposed increase of the food worker card fee to \$10.00 will bring the fee up to match national inflation rates since 1992, without accounting for future inflation.